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DIARY NOTES

25X1A

DD/A

13 through 17 September 1954

25X1A9a

1. In a conversation with [REDACTED] it was agreed that we should put 25X9 [REDACTED] positions in our Fiscal Year 1955 Budget and [REDACTED] in our Fiscal Year 1956 Budget. The increase is occasioned by projects which the Director has already approved.

25X9A2

2. Lyman Hamilton, Bureau of the Budget, advised me that we could expect Hearings on the CIA Budget to start about 27 October and that they would last for about one week.

3. Ed Saunders queried me as to whether he should press the Operations Coordinating Board to take their receptionist on their own table of organization rather than have our Security Office furnish her. I told him that inasmuch as we were getting reimbursed for those services I saw no reason why we should fight with the Board about this.

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4. At the request of the FE Division I have arranged for [REDACTED] to be my personal representative on a working committee considering Project [REDACTED]

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5. I arranged for Kenneth Sprankle, Acting Chief Clerk of the House Appropriations Committee, to see certain of our senior representatives abroad during his forthcoming trip to Europe with Congressman Passman to inspect naval installations.

6. Jim Garrison called to my attention the fact that we had spent about [REDACTED] for supplies during Fiscal Year 1955 but that our forecasted requirements for Fiscal Year 1956 were a little more than \$6,000,000. This, of course, indicates a good supply situation but a bad budget situation.

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7. Jim talked to me about what our policy should be with reference to reproduction overseas, i.e., should the Technical Services Staff handle all reproduction overseas or confine itself to the highly technical and sensitive matters which it carries on at Headquarters? I told him that as a matter of principle it would seem to me that this Staff, which has plenty of troubles anyway, would do well to confine its services to the highly technical and sensitive matters which it controls at Headquarters; however, if the DD/P organization feels strongly about the matter it is certainly nothing which I would want to make an issue of.

8. Jim reported that he was having some trouble with eight contracts, all involving the Technical Services Staff, which probably could not be settled until he returned from Europe late in October.

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9. Jim advised me that we had sold the LCI at [REDACTED] for \$12,000, which is far more than I had expected we would be able to get for it.

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10. At Kirk's suggestion I have asked [REDACTED] to insure that rooms in the South Building are renumbered during the forthcoming renovations.

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11. Also cautioned [REDACTED] to be sure that the transoms over the doors in the South Building were kept closed in order to insure security.

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12. [REDACTED] telephoned to express his very great concern about the slowdown in work which would be occasioned by our construction in the South Building. Actually, all I think that he really wanted was to raise the old question of consolidating the two plants in Washington, D. C. I told him that this matter was dead for the moment as far as I was concerned and that I would have someone from the Logistics Office get in touch with him and make the best possible arrangements during the period of renovation in the South Building. H

25X9

13. I discussed with Dr. Tietjen the possibility of sending a [REDACTED] 25X1A5a1 (one of our consultants) to [REDACTED] where we would hope that he could make arrangements with the Colonial Government and the [REDACTED] to render medical service to our station there. (The [REDACTED] have refused to let us assign a doctor to that station.) I told John that I was not convinced that this trip was actually necessary, that, first of all, I would like to satisfy myself to the extent possible that the [REDACTED] would not offer the same objections to this arrangement, and then would like to be assured that we had no doctors in Europe or in our own organization who could negotiate such an arrangement before I would want to send a consultant on such a trip at the expense of \$2500 or \$3000.

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14. Conducted the usual weekly DD/A Staff Meeting. (See Minutes.)

15. Conducted an Administration Career Board Meeting. (See Minutes.)

16. Shef advised me that General Cabell had suggested that we run a special Security Orientation Course at the Department of Agriculture Auditorium and that all employees be required to attend. He is coming up with a counter proposal which will suggest that we make a movie which can be shown to small groups in this area. I told him that I thought this sounded like a good idea and would be looking forward to receiving his recommendation.

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17. [REDACTED] reported on an automobile accident which occurred on 23rd Street on the night of 17 September and involved four CIA employees. Two employees were taken to Emergency Hospital where they gave their wrong names. Police were called in and there was general confusion. Dr. Shaw, Chief of the Surgical Emergency Service, called Bob and was very provoked at the confusion which had been caused by our employees giving their wrong names. Bob assured him that such conduct was not Agency policy and otherwise consoled him as much as possible. The Offices of the Director (Stanley Grogan) and Personnel, plus the Medical Office, have all been in on the case and are handling it.

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25X1A9a 18. [REDACTED] has requested that we find a Deputy for him. [REDACTED] 25X1A9
is working on this.

25X1A9a 19. I have talked to both [REDACTED] and Ed Saunders about compiling a
periodic report which will reflect the accurate status of audit activities and
other finance situations at all of our stations. I feel strongly that we must
develop something like this in the near future and both have agreed to give me
their recommendations at an early date.

25X1A9a 20. [REDACTED] telephoned to say that Elmer Staats, Executive Officer,
Operations Coordinating Board, was somewhat unhappy because we were not report-
ing back to him whether or not the Bureau of the Budget released funds from the
Reserve to support projects which the Board asked us to undertake. I told Wayne
that I did not really feel that this was any of Elmer's business and wanted to
speak to the Director about it. However, if Mr. Dulles wants to give Elmer this
25X1A9a information it can be done with very little difficulty and is probably not worth
causing any unhappiness between ourselves and the OCB.

25X1A9a 21. I had a meeting with Jim Garrison, [REDACTED] and Bill
[REDACTED] to discuss action to be taken in connection with preparations for request-
ing a new building. I also talked to Max Elliot, General Counsel, General Ser-
vices Administration, who advised me to discuss the matter with Pete Straubel,
Chief of the Public Buildings Service; he cautioned me not to start with Harry
Hunter.

22. Spent approximately four hours with the Special Studies Group, all mem-
bers being present with the exception of General Doolittle and Pat Coyne. It
was a very friendly and constructive conference as a result of which I felt that
there was almost unanimous disapproval to the idea of the DD/A or the Comptrol-
ler being excluded from any projects. The Group did not understand why FI pro-
jects, or at least most of them, could not go through PRC procedures and, in
general, felt that the Comptroller functions, so as to be effectively felt, must
be projected from their present place in the Agency to the lowest levels having
responsibility for the expenditure of funds. Mr. Franke stated that the Audi-
tor was prohibited in some cases from going as far as he should and said that if
he were the Auditor and was not permitted to go all the way in any given case he
would make a notation to the effect that he could accept no responsibility for
the expenditures involved.

I was specifically queried as to why the Office of Personnel was not un-
der the jurisdiction of the DD/A and submitted, as best I could, the reasons why
General Cabell and the Director felt that this function should report to the Di-
rector. It was also my definite impression that as a group they did not agree
with this concept.

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Insofar as "administration" in general was concerned, I explained the history of administration in the Agency, how we got where we were today, and what the situation was. I told them that since we had had no security flaps to my knowledge that could be attributed to the central administrative system I did believe that this was the right system. However, I pointed out certain weaknesses in our present system due to a gap which remains to be bridged between the COA/DDP and the central administrative offices under the DD/A. I emphasized, nevertheless, that great progress had been made during the past two years and that this gap should become bridged as we in the Agency developed better mutual understanding and confidence in each other. H

The Group expressed a desire to examine Project PBSUCCESS in detail. Howard Preston, the Administrative Officer on this Project, is coming up with a further breakdown of expenditures and I will take him to the committee to explain it.

Mr. Franke told me that he had been unable to get over-all strength figures anywhere in the Agency and asked me to provide them. I showed him the summary report which I prepared for Mr. Dulles at the time that Mr. Taber made a similar request last April. He was satisfied with this. (I gave him no papers on this subject.)

23. I obtained approval from Lyman Hamilton, Bureau of the Budget, to withdraw \$200,000 from the Contingency Reserve for a special project in a Latin American country. Ed Saunders is to follow this up with a written request.

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24. [REDACTED] staff came to ask me to intervene personally to find a place for [REDACTED] who is being forced to retire. [REDACTED] explained that because of certain personality clashes Colonel [REDACTED] could not remain in the DD/P area. I told him that such personality clashes while in the DD/P organization would make it difficult for me to use [REDACTED] in any other capacity and that I regretted very much that I could be of no help.

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[REDACTED]

26. Jim told me that it had been suggested that he take over responsibility for [REDACTED] procurement activities. I instructed him to have nothing to do with Sam or his activities except with my personal permission. H

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door. I authorized Jim to go ahead and set up the company and agreed to talk to Shef Edwards further about the possibility of Joe undertaking this venture. It was more than obvious that Joe is extremely anxious to do this and I am not concerned about any demands for a grade GS-16.

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28. Dr. Tietjen was over to discuss a scheme in connection with emergency planning which would eliminate the necessity for setting up a decontamination unit at [REDACTED]. He has a proposal which would install such equipment at the [REDACTED]. I authorized him to go ahead and work out the details of his proposal and submit a paper to me for my approval.

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29. I agreed with Ed Saunders and [REDACTED] that we should submit a request for the promotion of [REDACTED] to grade GS-16. Ted agreed to cover him in the DD/P supergrade ceiling until he is transferred back to the States, at which time Ed Saunders will absorb him in his organization.

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Ed Saunders also indicated to Ted that it was tentatively his plan to replace [REDACTED]. While Ted was not enthusiastic he did not offer strenuous objection.

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30. Shef reported that his Night Duty Officer left his post and went to a room across the hall where he was found asleep. The man is being allowed to resign. I told Shef that by all means this was the proper action to get rid of him fast.

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31. Shef briefed me on the case of [REDACTED], which is a rather unpleasant situation, and upon his return to duty within the next few days [REDACTED] will be allowed to resign. I told Shef that if [REDACTED] did not resign to let me know because as head of the career service to which he belongs I would want to intervene.

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32. The Director told me that [REDACTED] had called him and was unhappy about the [REDACTED] budget, although he didn't know just exactly why. After checking I told Mr. Dulles that as far as I could find out it appeared that the [REDACTED] had asked for [REDACTED] plus for Fiscal Year 1955, excluding the [REDACTED] in-25X1C4c stallation [REDACTED], that in Fiscal Year 1954 they had obligated [REDACTED] n,25X1A1 and that the IO Division felt that they could probably get along during Fiscal Year 1955 with [REDACTED]. I advised him that the budget had not actually been presented through the IO Division to the Comptroller as yet and requested that he make no commitments on this matter until it had been thoroughly reviewed by the Comptroller and the Project Review Committee.

33. [REDACTED] discussed with me some unhappiness about the Management

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25X1A9a Staff and said that he thought the members thereof were developing an "I.G. reputation" which was going to be harmful. He asked that the point of contact with the DD/P area be changed from [REDACTED] to his office. I told him that no such formal arrangement had ever been made and that our whole effort was to try to avoid having both the Inspector General and the Management Staff undertaking manpower studies. I also told him that [REDACTED] and I were having a meeting at an early date to discuss this matter and perhaps something would come out of it, in which case I would let him know.

25X1A6a 34. Ted has requested on behalf of Frank Wisner that the latter's chauffeur be transferred to a grade GS-4 courier position in the RI Registry where he would actually function as a courier, except during those times when Frank wanted to use him as a chauffeur. The Logistics Office would furnish the car which, of course, would not be available to the motor pool. I told Ted that I would have to sleep on this one and let him know sometime soon.

25X1A9a 35. Ted discussed with me earlier his hope to go to [REDACTED] next summer as Chief of the Support Mission. It is his plan that after [REDACTED] comes home [REDACTED] will fill in temporarily until his arrival. He is anxious to send [REDACTED] to [REDACTED] about the first of the year to assist Doug until he gets there and, of course, have Ted remain with him when he arrives. I told him that I thought [REDACTED] should go to the field and would not object to his going if he did not propose to put him in the position of Deputy Chief of the Support Mission since I thought that this would create a very bad reaction among some of the Logistics and other people who would be working for him. I told him that if he wanted Ted as a special assistant, executive officer, or on another staff job which would not imply command I would have no objection.

25X1A11a 36. I asked Jim Garrison to give me a brief paper on the request being made of him by the [REDACTED] arms, ammunition, accouterments, etc. I have an idea that this may tie into the agreed "activities paper" and the Director should certainly be aware of it.

25X1A6d 37. [REDACTED] handed me a piece of paper written after his visit to the [REDACTED] which recommended that action be taken to formulate plans for housing the Intelligence Advisory Committee at the Center during an emergency. I have turned the paper over to [REDACTED] with instructions to work with the DD/I area in carrying it out.

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